

June 24, 2002

Robert A. Taylor
U.S. Department of Commerce
National Oceanic and Atmospheric Administration
General Counsel – Natural Resources NW
7600 Sand Point Way NE
Seattle, WA 98115-0070

Re: Hylebos Waterway Natural Resource Damage Settlement Proposal Report

Dear Mr. Taylor:

Port of Tacoma management has reviewed the Hylebos Waterway Natural Resources Damage Settlement Proposal Report provided by you on behalf of the Natural Resource Trustees for the Commencement Bay Nearshore/Tideflats Superfund Site in Tacoma, Washington.

As you have stated, the Port of Tacoma has settled Natural Resource Damage (NRD) liabilities caused by releases of hazardous substances from property owned, managed or operated by the Port by Consent Decree on a baywide basis in 1993. As a major Commencement Bay property owner, the Port considers itself to be a long-term steward of property and environmental issues in the area. Also, as you know, the Port of Tacoma has a direct interest in the Hylebos Waterway by virtue of its ownership interest in the waterway and several upland parcels.

The purpose of this letter is to commend the Natural Resource Damage Trustees for considering alternative approaches to settling NRD liability in the Hylebos Waterway. Having already settled its liability, the Port does not feel compelled to make comment on the specifics of the Trustee's allocation proposal or its appropriateness as applied to individual potentially responsible parties (PRPs). The Port does, however, endorse alternate approaches to damage assessment such as those advanced in your Proposal Report.

The Trustees are correct in asserting that there are unique environmental circumstances associated with the Hylebos Waterway, which allow alternative approaches to NRD liability resolution. A project-based approach to settlement would, no doubt, yield a more rapid and cost-effective approach to environmental restoration in Commencement Bay.

The Port supports your good faith attempt to resolve liability issues for Hylebos Waterway PRPs. Please contact Port representatives if we can assist the Trustees in furthering your settlement efforts.

Sincerely, Links

Andrea Riniker Executive Director